



Amherst Massachusetts

ASSISTANT TOWN MANAGER / FINANCE DIRECTOR

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April 26, 2010

TO: Select Board
Finance Committee
Larry Shaffer, Town Manager

FROM: John P. Musante, Assistant Town Manager/Finance Director

CC: Sonia Aldrich, Comptroller

SUBJECT: FY 10 Municipal Budget Quarterly Budget/Actual Report for
Quarter Ending March 31, 2010

Attached please find two reports detailing year to date performance versus budget for revenues and expenditures for the General Fund and Enterprise Funds. We are 75% thru the fiscal year. Overall, actual revenues and expenditures are in good shape versus budget. A very small positive variance is anticipated by year end. This would continue the trend in recent years of positive variances versus budget.

Key items/issues are highlighted below.

1. GENERAL FUND

Revenues: Thru March 31, 2010, the Town has collected 77.7% of budgeted revenues and is on track to slightly exceed budgeted revenues for the fiscal year despite challenges in a couple of areas.

- **Golf Course:** Receipts total 50% of budget, but are on pace to exceed FY 09 total of \$253,725. FY 10 budgeted at \$262,000.
- **Recreation:** Receipts of \$415,999 reflect administrative reimbursements to the General Fund from LSSE's Recreation and Adult Education Revolving Funds program receipts. While at 73.8% YTD, for many programs the participation levels and resulting fee revenues realized have been below the aggressive targets established with the current year budget after a thorough program by program analysis. It is possible that net revenue to the General Fund will be as much as \$80-100,000 below the budget estimate by June 30. One permanent staff member was laid off in February. Program expense reduction and enhanced revenue opportunities to close this gap are ongoing.

- Investment Income: Watching carefully due to economic downturn and resulting lower interest rates on liquid investments. Earnings total only \$89,629 thru March 31, or 44.8% YTD versus budget. Earnings will be less than budgeted by fiscal year end.
- Motor Vehicle Excise: 80.9% collected year to date, on pace to meet or exceed budget of \$1,350,000. Most excise bills are billed/collected in February.
- Other Excise: \$183,558 collected reflects the first three quarterly distributions of hotel/motel excise taxes (period of June 2009 – February 2010) and five months of revenues (period of October 2009 – February 2010) from the increased local option hotel/motel excise tax (to 6%) and new local option 0.75% meals excise tax approved by Town Meeting at the July 2009 special town meeting. Collections at 49.6% of estimated \$370,000. Anticipating Town will receive total of approximately \$300-325,000 by June 30. Will be monitoring June 30 and September 30, 2010 distributions to determine whether to reduce FY 11 revenue estimate before setting tax rate in December.
- Property Tax: 75% collected. Second half bills include new growth. On pace to again exceed 98% collection rate thru fiscal year end.
- State Aid: 74.9% has been received by the Town. Not anticipating any mid-year “9C cuts” in state aid from the Governor or legislature.

Expenditures: Thru March 31, 2010, expenditures total 72.7% of budgeted expenditures. Prospective small surpluses in the Facilities, General Services, Snow & Ice, and Planning & Development budgets will help to reduce expected shortfalls in the Legal Services and Veterans Benefits accounts.

- Legal Services: \$72,004 expended thru March, or 75.8% of budget. Anticipate shortfall of roughly \$30,000 by June 30.
- Employee Benefits: While YTD expenditures are at 84.6% of budget, that figure includes 100% of the annual retirement assessment from the Hampshire County Retirement System.
- Elections: Anticipated shortfall of \$21,000 from the costs of the special U.S. Senate primary and general elections will be reimbursed by the Commonwealth in a supplemental budget.
- Information Technology: IT expenditures suggest 86.6% “expended”, but this includes funds reserved for contractual service and licensing agreements for the remainder of the fiscal year.
- Town Facilities: Anticipating surplus of greater than \$20,000 due to savings realized from energy efficiency efforts.
- General Services: Anticipating surplus of \$12,000 from property and casualty insurance savings.
- Fire/EMS: While at 80.6% expended, \$173,000 for retroactive pay increases to fund the firefighters’ contract will be requested via transfer from the General Government salary reserve to this budget in Article 5 (FY 10 Budget Amendments) at the Annual Town Meeting on May 3.
- Education: 70.2% expended. Includes elementary schools budget and regional schools first three quarterly assessments.
- Snow & Ice: Budget of \$240,410 is 77.3% expended and are projecting an unexpended balance of \$52,000 by June 30 due to the mild winter. This budget was increased in FY 10 by \$40,000 to a more realistic level.

- Planning & Development: At 70% expended, anticipate a small surplus of \$30,000 from staff turnover.
- Veterans Services: Benefits claims on pace to exceed budget by approximately \$50,000. State eventually reimburses Town for 75% of eligible claims.

2. ENTERPRISE FUNDS

Thru March 31, 2010, revenues and expenditures are within a reasonable range for the Water, Sewer, and Transportation Enterprise Funds. Variances are due more to timing issues and funds encumbered for capital projects than any trend. The Solid Waste Fund will likely experience a small revenue deficit because revenues budgeted from cell tower rental methane gas credits, and investment earnings will not be realized. Any net budget deficit remaining at fiscal year end on June 30 will be deducted from the Solid Waste Fund reserve fund balance (free cash) per state accounting regulations.

TOWN OF AMHERST
Year to Date Budget Report
FY2010 REVENUES
Through March 31, 2010

	REVISED EST REVENUES	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL
TOWN GENERAL FUND				
CHARGES FOR SERVICES		\$ -	\$ -	
DEPART-CEMETERIES	\$ (5,000.00)	\$ (2,425.00)	\$ (2,575.00)	48.5%
DEPART-GOLF COURSE	\$ (262,000.00)	\$ (130,995.64)	\$ (131,004.36)	50.0%
DEPART-RECREATION	\$ (563,648.00)	\$ (415,999.80)	\$ (147,648.20)	73.8%
FINES AND FORFIETS	\$ (169,000.00)	\$ (126,714.89)	\$ (42,285.11)	75.0%
INVESTMENT INCOME	\$ (200,000.00)	\$ (89,628.89)	\$ (110,371.11)	44.8%
LICENSES AND PERMITS	\$ (790,550.00)	\$ (530,433.93)	\$ (260,116.07)	67.1%
MISC NON-RECURRING	\$ (1,523,223.00)	\$ (1,526,119.20)	\$ 2,896.20	100.2%
MOTOR VEHICLE EXCISE	\$ (1,350,000.00)	\$ (1,092,693.86)	\$ (257,306.14)	80.9%
OTHER DEPT REVENUE	\$ (363,120.00)	\$ (420,514.06)	\$ 57,394.06	115.8%
OTHER EXCISE	\$ (370,000.00)	\$ (183,558.05)	\$ (186,441.95)	49.6%
PENALTY AND INTEREST	\$ (132,000.00)	\$ (104,794.39)	\$ (27,205.61)	79.4%
PL PILOT	\$ (918,458.00)	\$ (849,382.56)	\$ (69,075.44)	92.5%
PROPERTY TAXES	\$ (35,726,591.00)	\$ (26,790,192.80)	\$ (8,936,398.20)	75.0%
RENTALS	\$ (56,500.00)	\$ (42,382.25)	\$ (14,117.75)	75.0%
SPECIAL ASSESSMENTS	\$ (669,517.00)	\$ (655,404.00)	\$ (14,113.00)	97.9%
STATE AID	\$ (14,206,833.00)	\$ (10,636,529.00)	\$ (3,570,304.00)	74.9%
TRANSFERS IN	\$ (4,070,326.00)	\$ (4,070,326.00)	\$ -	100.0%
TOTAL TOWN GENERAL FUND	\$ (61,376,766.00)	\$ (47,668,094.32)	\$ (13,708,671.68)	77.7%
6001 SEWER FUND				
60011990 SF INTERFUND TRANSFERS	\$ (232,658.00)	\$ (232,658.00)	\$ -	
R4440 SF OPERATING BUDGET REV	\$ (3,490,500.00)	\$ (2,703,264.48)	\$ (787,235.52)	77.4%
TOTAL SEWER FUND	\$ (3,723,158.00)	\$ (2,935,922.48)	\$ (787,235.52)	78.9%
6002 WATER FUND				
60021990 WF INTERFUND TRANSFERS	\$ (385,684.00)	\$ (385,684.00)	\$ -	100.0%
R4450 WF OPERATING BUDGET REV	\$ (3,922,000.00)	\$ (2,940,549.15)	\$ (981,450.85)	75.0%
TOTAL WATER FUND	\$ (4,307,684.00)	\$ (3,326,233.15)	\$ (981,450.85)	77.2%
6003 SOLID WASTE FUND				
60031990 SWF INTERFUND TRANSFERS	\$ (24,194.00)	\$ (24,194.00)	\$ -	100.0%
R4435 SWF OPERATING BUDGET REVENUE	\$ (507,000.00)	\$ (316,069.47)	\$ (190,930.53)	62.3%
TOTAL SOLID WASTE FUND	\$ (531,194.00)	\$ (340,263.47)	\$ (190,930.53)	64.1%
6005 TRANSPORTATION FUND				
60051990 TRANS INTERFUND TRANSFER	\$ (84,323.00)	\$ (84,323.00)	\$ -	100.0%
R4480 PARKING OPERATING REVENUE	\$ (903,700.00)	\$ (696,928.47)	\$ (206,771.53)	77.1%
TOTAL TRANSPORTATION FUND	\$ (988,023.00)	\$ (781,251.47)	\$ (206,771.53)	79.1%

TOWN OF AMHERST
Year to Date Budget Report
FY2010 EXPENSES
Through March 31, 2010

	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOWN GENERAL FUND					
SELECT BOARD	\$ 47,743.00	\$ 36,284.89		\$ 11,458.11	76.0%
TOWN MANAGER	\$ 175,441.00	\$ 131,473.22		\$ 43,967.78	74.9%
FINANCE COMMITTEE	\$ 100,800.00	\$ 523.65		\$ 100,276.35	0.5%
DIRECTOR OF FINANCE & ADMIN	\$ 229,294.00	\$ 157,643.38	\$ 4,875.00	\$ 66,775.62	70.9%
ACCOUNTING	\$ 217,631.00	\$ 156,696.18		\$ 60,934.82	72.0%
ASSESSOR	\$ 181,872.00	\$ 133,627.62		\$ 48,244.38	73.5%
COLLECTOR/TREASURER	\$ 230,789.00	\$ 165,626.80	\$ 1,735.00	\$ 63,427.20	72.5%
LEGAL SERVICES	\$ 95,000.00	\$ 72,004.17	\$ -	\$ 22,995.83	75.8%
HUMAN RESOURCES	\$ 152,626.00	\$ 104,219.51	\$ 8,333.36	\$ 40,073.13	73.7%
EMPLOYEE BENEFITS	\$ 5,993,261.00	\$ 5,069,959.11		\$ 923,301.89	84.6%
INFORMATION SYSTEMS	\$ 472,999.00	\$ 372,005.14	\$ 37,609.77	\$ 63,384.09	86.6%
TOWN CLERK	\$ 162,069.00	\$ 128,854.85	\$ -	\$ 33,214.15	79.5%
ELECTIONS	\$ 21,774.00	\$ 15,425.91	\$ 5,709.61	\$ 638.48	97.1%
REGISTRATIONS	\$ 6,750.00	\$ 5,300.91	\$ -	\$ 1,449.09	78.5%
TOWN HALL FACILITY	\$ 182,478.00	\$ 108,001.20	\$ 5,308.39	\$ 69,168.41	62.1%
BANGS COMMUNITY CENTER	\$ 225,291.00	\$ 146,174.35	\$ 6,013.17	\$ 73,103.48	67.6%
NORTH AMHERST & CUSHMAN SCHOOL	\$ 3,550.00	\$ 460.32	\$ 885.00	\$ 2,204.68	37.9%
AMHERST COMM CHILDCARE FACILIT	\$ 4,200.00	\$ 663.39	\$ 1,010.00	\$ 2,526.61	39.8%
MUNSON LIBRARY	\$ 43,077.00	\$ 27,837.79	\$ 741.90	\$ 14,497.31	66.3%
MISCELLANEOUS AND INSURANCE	\$ 222,561.00	\$ 176,242.23		\$ 46,318.77	79.2%
GENERAL SERVICES	\$ 187,760.00	\$ 113,455.07	\$ 2,407.73	\$ 71,897.20	61.7%
INTERFUND TRANSFERS	\$ 1,324,874.00	\$ 1,324,874.00		\$ -	100.0%
POLICE FACILITY	\$ 209,435.00	\$ 133,684.37	\$ 2,485.98	\$ 73,264.65	65.0%
POLICE DEPARTMENT	\$ 3,955,452.00	\$ 2,629,924.43	\$ 67,069.79	\$ 1,258,457.78	68.2%
FIRE DEPARTMENT	\$ 3,602,048.00	\$ 2,877,672.40	\$ 27,240.48	\$ 697,135.12	80.6%
DISPATCH CENTER	\$ 556,001.00	\$ 396,314.34	\$ 2,179.42	\$ 157,507.24	71.7%
ANIMAL CONTROL	\$ 51,845.00	\$ 34,014.60		\$ 17,830.40	65.6%
EDUCATION	\$ 32,955,811.00	\$ 22,920,933.72	\$ 215,220.59	\$ 9,819,656.69	70.2%
PUBLIC WORKS ADMINISTRATION	\$ 266,646.00	\$ 175,657.06		\$ 90,988.94	65.9%
CONSTRUCTION AND MAINTENANCE	\$ 575,505.00	\$ 374,728.39	\$ 40,478.20	\$ 160,298.41	72.1%
SNOW AND ICE	\$ 240,410.00	\$ 180,308.13	\$ 5,462.00	\$ 54,639.87	77.3%
STREET LIGHTS	\$ 90,575.00	\$ 24,116.57	\$ -	\$ 66,458.43	26.6%
TRAFFIC LIGHTS	\$ 21,673.00	\$ 15,319.30		\$ 6,353.70	70.7%
EQUIPMENT MAINTENANCE	\$ 259,244.00	\$ 157,167.27	\$ 3,011.25	\$ 99,065.48	61.8%
CEMETERY MAINTENANCE	\$ 19,957.00	\$ 12,148.31	\$ -	\$ 7,808.69	60.9%
PARKS AND COMMONS	\$ 265,639.00	\$ 196,728.37	\$ 80.75	\$ 68,829.88	74.1%
TREE CARE	\$ 72,715.00	\$ 55,093.99	\$ 200.64	\$ 17,420.37	76.0%
CONSERVATION OPERATIONS	\$ 238,369.00	\$ 154,348.59		\$ 84,020.41	64.8%
PLANNING DEPARTMENT OPERATIONS	\$ 258,255.00	\$ 187,416.12		\$ 70,838.88	72.6%
INSPECTION SERVICES OPERATIONS	\$ 321,954.00	\$ 224,609.27		\$ 97,344.73	69.8%
PUBLIC HEALTH OPERATIONS	\$ 249,972.00	\$ 199,528.72	\$ -	\$ 50,443.28	79.8%
COUNCIL ON AGING OPERATIONS	\$ 177,024.00	\$ 135,745.53		\$ 41,278.47	76.7%
VETERANS SERVICES OPERATIONS	\$ 168,339.00	\$ 156,973.92		\$ 11,365.08	93.2%
LEISURE SERVICES AND SUP ED	\$ 567,826.00	\$ 359,191.94	\$ 644.00	\$ 207,990.06	63.4%
OUTDOOR POOL OPERATIONS	\$ 97,098.00	\$ 82,607.77	\$ 3,500.00	\$ 10,990.23	88.7%
CHERRY HILL OPERATIONS	\$ 218,382.00	\$ 153,588.55	\$ 2,925.38	\$ 61,868.07	71.7%
COMMEMORATIONS	\$ 875.00	\$ -		\$ 875.00	0.0%
DEBT SERVICE	\$ 973,751.00	\$ 479,631.80		\$ 494,119.20	49.3%
REGIONAL DEBT ASSESSMENTS	\$ 572,116.00	\$ 418,403.65	\$ -	\$ 153,712.35	73.1%
STATE ASSESSMENTS	\$ 1,017,231.00	\$ 761,044.00	\$ -	\$ 256,187.00	74.8%
COUNTY AND SPECIAL ASSESSMENTS	\$ 1,622,487.00	\$ 1,130,495.10	\$ -	\$ 491,991.90	69.7%

TOWN OF AMHERST
Year to Date Budget Report
FY2010 EXPENSES
Through March 31, 2010

		REVISED BUDGET		YTD EXPENDED		ENCUMBRANCES		AVAILABLE BUDGET		PCT USED
OVERLAY	\$	262.00	\$	261.14	\$	-	\$	0.86		99.7%
JONES LIBRARY OPERATIONS	\$	1,468,029.00	\$	1,114,904.26	\$	-	\$	353,124.74		75.9%
TOTAL TOWN GENERAL FUND	\$	61,376,766.00	\$	44,189,915.30	\$	445,127.41	\$	16,741,723.29		72.7%
							\$	-		
SEWER FUND										
INTERFUND TRANSFERS	\$	679,744.00	\$	679,744.00	\$	-	\$	-		100.0%
WASTE WATER TREATMENT PLANT	\$	2,870,247.00	\$	1,983,741.51	\$	233,485.18	\$	653,020.31		77.2%
SEWER MAINTENANCE	\$	173,167.00	\$	118,228.74	\$	2,767.12	\$	52,171.14		69.9%
TOTAL SEWER FUND	\$	3,723,158.00	\$	2,781,714.25	\$	236,252.30	\$	705,191.45		81.1%
WATER FUND										
INTERFUND TRANSFERS	\$	931,016.00	\$	931,016.00	\$	-	\$	-		100.0%
WATER DEPARTMENT OPERATIONS	\$	3,376,668.00	\$	2,657,175.85	\$	115,975.54	\$	603,516.61		82.1%
TOTAL WATER FUND	\$	4,307,684.00	\$	3,588,191.85	\$	115,975.54	\$	603,516.61		86.0%
SOLID WASTE FUND										
INTERFUND TRANSFERS	\$	-	\$	-	\$	-	\$	-		0.0%
SOLID WASTE FUND							\$	-		
SOLID WASTE FACILITIES	\$	531,194.00	\$	346,930.14	\$	44,255.61	\$	140,008.25		73.6%
TOTAL SOLID WASTE FUND	\$	531,194.00	\$	346,930.14	\$	44,255.61	\$	140,008.25		73.6%
TRANSPORTATION FUND										
INTERFUND TRANSFERS	\$	146,907.00	\$	146,907.00	\$	-	\$	-		100.0%
PARKING FACILITIES	\$	466,755.00	\$	378,206.84	\$	12,242.66	\$	76,305.50		83.7%
PUBLIC TRANSPORTATION	\$	374,361.00	\$	313,030.00	\$	-	\$	61,331.00		83.6%
TOTAL TRANSPORTATION FUND	\$	988,023.00	\$	838,143.84	\$	12,242.66	\$	137,636.50		86.1%